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May 20, 1992

Honorable Alfred E. Alquist, Chairperson
Senate Committee on Budget and Fiscal Review

Honorable Robert Presley, Chairperson
Senate Appropriations Committee

Honorable John Vasconcellos, Chairperson
Assembly Ways and Means Committee

Honorable Frank Hill, Vice Chairperson
Senate Committee on Budget and Fiscal Review

Honorable Cathie Wright, Vice Chairperson
Assembly Ways and Means Committee

Dear Members:

MAY REVISION OF GENERAL FUND REVENUES AND EXPENDITURES

The Department of Finance has completed the May Revision of General Fund revenues and expenditures. This report is being submitted to provide you with the most current information to assist you in finalizing your actions on the budget.

Sincerely,

THOMAS W. HAYES
Director

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GOVERNMENT
PUBLICATIONS

May 20, 1992

1992-93
GENERAL FUND UPDATE
($ In Millions)

	1991-92	1992-93
RESOURCES:		
Prior Year Balance (January)	-$1,259	-$1,344
Adjustments	23	-2,024
Total Prior Year Balance	-$1,236	-$3,368
Revenues and Transfers (January)	43,633	45,673
May Revision	-1,554	-3,839
Total Revenues and Transfers	$42,079	$41,834
TOTAL RESOURCES	**$40,843**	**$38,466**
EXPENDITURES:		
January	$43,718	$43,817
May Revision	493	-60
TOTAL EXPENDITURES	**$44,211***	**$43,757***
FUND BALANCE	**-$3,368**	**-$5,291**
Economic Reserve	(-$3,775)	(-$5,698)
Encumbrance Reserve	($407)	($407)

* Total expenditures must be reduced by a combined $5.7 billion from the Governor's January 1992 proposal.

The Economy

Overbuilding during the last half of the 1980s has resulted in a glut of office space in many major urban areas, a glut which may take years to work off in some instances. Retail construction is hindered by sluggish demand and significant retrenchment by several major retailers. The housing market could be the strongest factor in the recovery, if mortgage rates decline further.

The California economy was affected more than usual by the latest recession. In retrospect, this has been the worst recession since the 1930s. Data for the state are not comparable with national series. State data have been adjusted to more current information which will eventually be incorporated by statistical agencies in Washington a process which will not be completed until 1993 or 1994.

From a peak in May 1990 to the apparent trough in November 1991, California lost 691,000 jobs. Construction and manufacturing were hit particularly hard, and accounted for more than half the job losses. Trade also saw significant retrenchment. The financial constraints, which exacerbated the latest recession, are reflected in the fact that the finance group and services also cut employment levels.

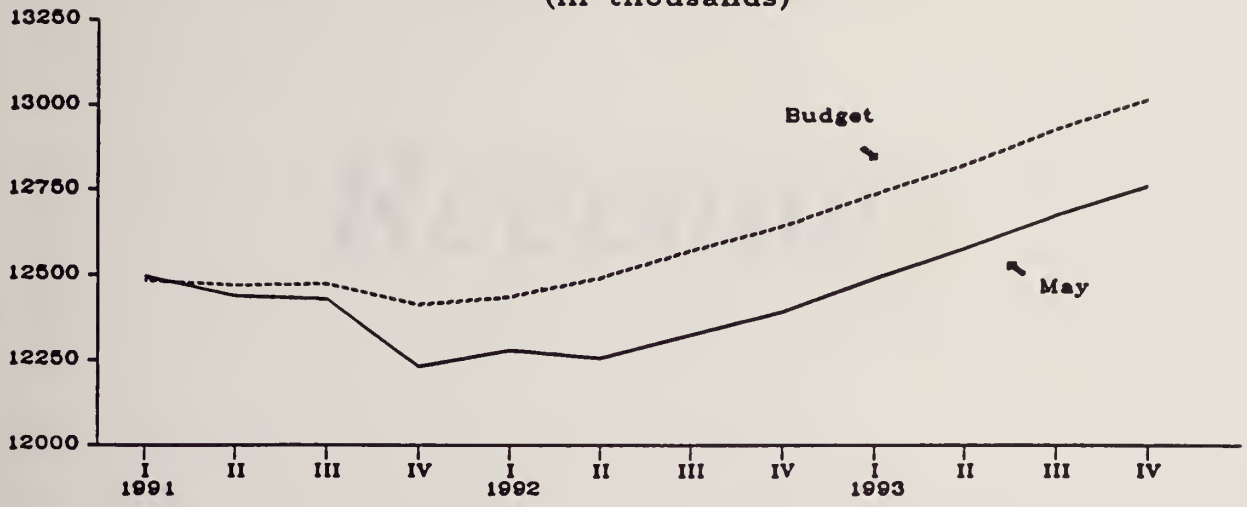
Personal income reflected the severe job losses, directly in minimal growth in wages and salaries for 1991, and indirectly in proprietors' income. Falling interest rates led to sharply lower levels of interest income, and dividends fell reflecting weak corporate profits. The personal income series used for this revision was adjusted to reflect information available from 1990 tax returns and revenue collection patterns through 1991. At $604 billion, 1991 personal income in California declined by 0.5 percent, the first decline since 1938.

Finally, all of these aspects are reflected in government revenues, which are coming in below expectation and necessitating reappraisal of the appropriate role and size of the public sector.

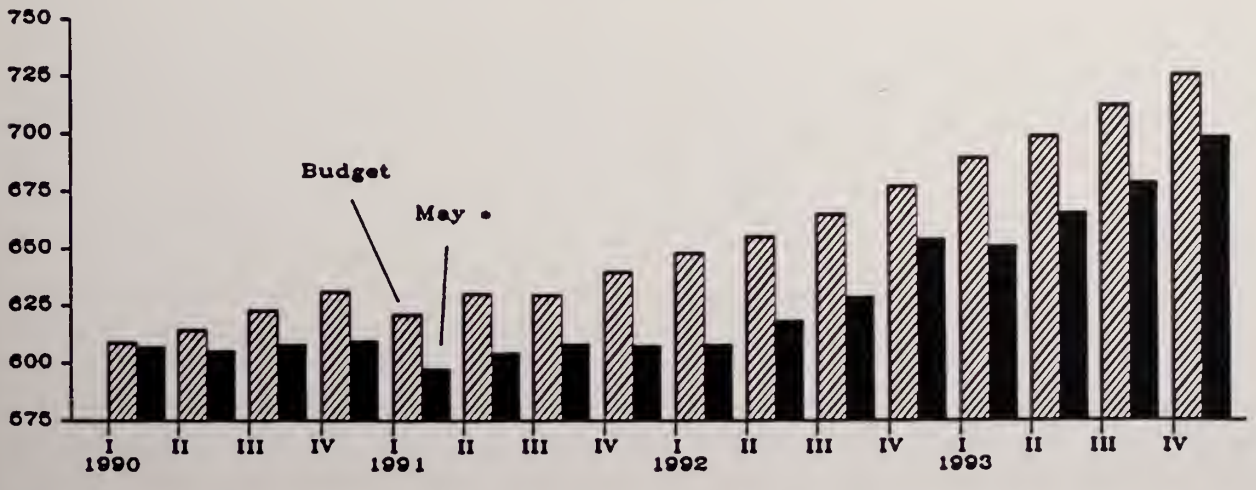
The May Revision forecast does not include specific assumptions for the Los Angeles riots. The impact cannot yet be assessed adequately. Immediate local costs will be great, in terms of property and job losses. Still unknown is what impact the situation will have on longer range development of the area.

Overall, the outlook is for gradual recovery from the recession, with the caveat that there is still a significant possibility that the state, and the nation, will continue on a sideways course until at least the end of 1992. In the latter case, full recovery could well be delayed until 1994.

FORECAST COMPARISONS:
CALIFORNIA NONFARM EMPLOYMENT
(In thousands)



FORECAST COMPARISONS:
CALIFORNIA PERSONAL INCOME
($ billions)



* May personal income figures not comparable with quarterly series from Governor's Budget. Includes adjustments to proprietors, interest and dividend income based on 1990 tax data.

Revenue

REVENUE ESTIMATES

Overview

General Fund revenues and transfers for 1991-92 are expected to total $42.1 billion, down $1.6 billion from the Governor's Budget estimate. For fiscal year 1992-93, the total estimated revenues and transfers are $41.8 billion, down $3.8 billion from the Governor's Budget estimate. Most of the shortfall is attributable to the sluggish economy.

Personal Income Tax

Showing the worst growth in decades, personal income tax revenues for the 1991 tax year appear to be nearly 2 percent below the year earlier, despite the tax increases enacted last year. If not for these law changes, revenues would have declined nearly 7 percent. On a fiscal year basis, 1991-92 is expected to be up 3.3 percent and the budget year up 1.4 percent. These growth rates are distorted by a number of one-time revenue gains from legislative changes that boosted the current year by over $700 million. Without these one-time revenues, the current year would be down over one percent, with budget year growth of nearly 6 percent.

Sales and Use Tax

The severity of the recession is clearly evident in the taxable sales data and there is no sign to-date that a recovery is underway. Sales began to soften during the second quarter of calendar year 1990 and, adjusting for inflation, have declined on a year-over-year basis since that time. First quarter 1992 sales appear to be relatively flat with the prior year. However, this includes the impact of last year's budget agreement to expand the base to include candy, snacks, newspapers, etc.. On a comparable basis, first quarter sales are actually down in the range of 3 percent from the depressed first quarter of 1991.

The May Revision assumes that sales will be relatively flat through the third quarter of 1992 with a moderate recovery beginning at the end of that year. Even with this recovery, 1993 taxable sales, adjusted for inflation, are anticipated to be less than two percent above the volume of sales that occurred in 1988.

Bank & Corporation Tax

Both 1990 and 1991 appear to have been years of negative profit growth. This also occurred in 1981 and 1982, however, the most recent period appears to have been a somewhat more severe decline. This forecast assumes that 1992 will be a recovery year for corporate profits. This profit increase is presumed to come as a result of cost cutting (e.g., "down-sizing") that has occurred during the past two years and not as a result of an overall economic recovery. A meaningful economic recovery beginning in 1993 would then continue the growth in profits.

Other Revenues

The largest revenue decline is attributable to Trial Court revenues, and transfers from other funds to the General Fund. Compounding the shortfall is a significant decline in interest income. Except for interest income, most of the other revenues are not as sensitive to the economy as are the three largest revenue sources.

Expenditures

GENERAL FUND

EXPENDITURE DETAIL
1991-92 and 1992-93
($ In Millions)

STATE AND CONSUMER SERVICES

Department of Consumer Affairs

CHILD SUPPORT ENFORCEMENT

	1991-92	--
	1992-93	$0.7

Among recent measures to strengthen the State's Child Support Enforcement efforts, Chapter 110, Statutes of 1991 (SB 101), declared the Legislature's intent to deny business and professional licenses to persons with child support arrearages. This intent was subsequently implemented by Chapter 50, Statutes of 1992 (AB 1394), which requires licensing agencies to deny business and professional licenses, including commercial driver's licenses, to persons with child support arrearages. Chapter 50 of 1992 authorizes the Department of Social Services to submit a list monthly of persons who are delinquent in their payments to the various licensing entities to match with persons applying for or renewing licenses. The requirements of Chapter 50 will be implemented through the combined efforts of the Department of Social Services and several licensing departments, boards, and bureaus in the Business, Transportation, and Housing Agency, and the State and Consumer Services Agency. These activities will include inter-agency cooperation on matters of procedure, funding, and timing, as well as the development of the systems and procedures within each agency to identify those with outstanding obligations and take appropriate action. The Health and Welfare Agency is the lead agency in this program for purposes of providing a central point of coordination. It is anticipated that implementation in each licensing agency will take place in different stages, depending on the current status of automation, number of licensees, and additional activities necessary to meet these requirements, in the individual board, bureau, or department.

The Department of Consumer Affairs implementation of the child support law is targeted for November 1. In order to accomplish this, increases totaling $725,000 are proposed for various Budget Bill Items. Of this total, $479,000 will be reimbursed from Federal Funds received by the Department of Social Services. The remainder of the costs will be funded from the special funds of the boards and bureaus.

by $3,268,000. CCS county administrative costs have also decreased by $236,000. Previously anticipated CCS enrollment fees of $4,315,000 and Federal SLIAG funds of $320,000 have not materialized creating a need for a General Fund backfill. The net GF change is an increase of $1,131,000.

Genetically Handicapped Persons Program (GHPP)

GHPP caseload related costs have decreased by $1,043,000; however, GHPP family repayments have decreased by $88,000, resulting in a net GF decrease of $955,000.

Child Health Disability Prevention (CHDP) Program

CHDP caseload costs have decreased by $597,000 GF and $1,382,000 from the Health Education Account of Cigarette and Tobacco Products Surtax Fund (CTPSF).

County Medical Services Program (CMSP)

CMSP caseload costs have decreased by $6,292,000. However, revenues for CMSP reflect an increase of $427,000 in interest and a prior year adjustment to reflect a savings of $2,917,000 because 1990-91 provider costs are less than previously estimated. Federal SLIAG funds of $4,360,000 have not materialized creating a need for a General Fund back-fill. Finally, Realignment revenues were less than anticipated resulting in a need of $2,928,000 GF. The net change for the CMSP is a decrease of $2,348,000 GF and an increase of $125,000 Unallocated Account of the CTPSF.

In the budget year, projections in the Governor's Budget are being revised to reflect a net decrease of $4 million from the General Fund for the following public health programs.

California Children's Services (CCS)

Costs related to CCS caseload, which is estimated at 161,920, have decreased by $1,313,000 and county administrative costs have also decreased by $857,000. However, this is offset by a decrease in enrollment fees of $4,042,000, resulting in a net GF increase of $1,872,000.

Genetically Handicapped Persons Program (GHPP)

GHPP caseload costs have decreased by $1,056,000 but GHPP family repayments are projected to decrease by $91,000, resulting in a net GF decrease of $965,000.

annual long term care rate adjustment (but a proposed change in rate setting will affect the net rate adjustment amount); $12.2 million for a long term care rate settlement; and $14.6 million for increased prepaid health plan (PHP) rates in the managed care area of Medi-Cal. While 1992-93 SLIAG caseload-based funding is expected to decline by $50.4 million; use of SLIAG monies to reimburse $144.9 million of prior year costs will produce a net $94.5 million yield for the General Fund. Other offsetting savings are: $10.9 million from reduced monthly expenditures for the drug Clozapine and $6.9 million for lower utilization of services under Brown v. Kizer; and other change factors, a $21.8 million decrease.

Department of Developmental Services

Budget year expenditures are lower by $5.3 million reflecting a reduction in developmental center costs and an increase in regional center costs. Regional center costs are up $9.7 million, which is the net impact of the following changes: 1) reduced caseload producing regional center staffing reductions of -$3.7 million; 2) an increase in Out-of-Home care costs of $4.5 million; 3) an increase in Day Program costs of $8.7 million; 4) an increase in Other Services costs of $1.3 million; and 5) a decrease of $1.1 million to reflect savings associated with clients who will be served by the Department of Rehabilitation's (DOR's) Vocational Rehabilitation/Work Activity Program. (The DOR budget will be increased by the same amount.) In the Developmental Centers, costs are down by $15 million due to a decline in population of 65 clients as well as a reduction in the severity of the clients being served. This reduction will be partially offset by increased Medi-Cal reimbursements, which are 50-percent General Fund, of $10.5 million. Finally, language is proposed to be added to the regional center budget item to encourage regional centers to maximize Medi-Cal billings as a means of supporting services.

1991-92	--
1992-93	-$5.3

Department of Mental Health

The Department of Mental Health's (DMH's) latest projections indicate that the population in the Conditional Release Program will be a total of 35 clients lower than the estimates contained in the Governor's Budget, yielding a reduction of $737,000. The State Hospital appropriation reflects changes due to the proposed county buy-out of 589 beds, resulting in an increase of $2,325,000 GF to pay for a shift in overhead costs, as well as a reduction of $22,217,000 in reimbursements from the counties. Finally, in order to comply with the Federal Nursing Home Reform Act during 1992-93, the Department proposes to conduct an additional 2,154 Level II Screens (for a total of 8,000 screens) at a cost of $171,000 GF and $514,000 in reimbursements.

1991-92	--
1992-93	$1.8

projected to grow at 6.6 percent, with almost all of the increase included in the number of disabled beneficiaries ($5.1 million), reflecting both increasing caseload in the disabled category and the processing of additional numbers of backlogged cases for disabled applicants. Foster Care costs are estimated to increase due to a downward revision in the number of federally eligible probation cases ($4.8 million). Additional adjustments include increased funding for caseload in the Adoptions Assistance program ($1.6 million), increased savings in the Child Welfare Services program due to increased federally allowable costs (-$7.0 million), lower expenditures in the In-Home Supportive Services (IHSS) program due to reduced caseloads and lower costs per case (-$9.5 million), an increase in General Fund expenditures resulting from lower than anticipated SLIAG receipts ($32.5 million), and other program adjustments (-$0.9 million).

1992-93

In the budget year, expenditures are estimated to increase by $130.9 million, $127.7 million of which is in local assistance.

AFDC local assistance expenditures are projected to decrease due to lower caseload growth and a decrease in the average size of a family receiving aid (-$46.9 million). Caseload (before adjustments for welfare reform) is now projected to grow by 10.6 percent beyond 1991-92 levels, compared to growth of 10.8 percent estimated in the Governor's Budget. As in 1991-92, children-only cases continue to be the fastest growing group within the AFDC caseload. In 1992-93, children-only cases are estimated to increase by 29.8 percent above 1991-92 levels, and continue to account for the reduction in the average size of a family receiving aid. AFDC savings from caseload reductions are adjusted by increased costs attributable mostly to the delay in implementation of the Administration's welfare reform proposal ($181.4 million), increased costs for implementing the decision in the case of Edwards v. Carlson ($19.4 million), an increased estimate of costs for persons who attained permanent residency status pursuant to the Immigration Reform and Control Act ($3.5 million), and increased savings attributable to the extension of unemployment benefits (-$15.9 million). As a result of reduced AFDC caseloads and other factors, costs for County Administration are projected to be lower (-$18.9 million).

In the SSI/SSP program, the Governor's Budget projected caseload to increase by 8.3 percent above current year levels. Due to the continuing increase in disabled beneficiaries, caseload is now estimated to increase by 9.1 percent in 1992-93 ($15.0 million). Foster Care expenditures are reduced due to a decrease in non-federally eligible cases (-$8.2 million). Additional adjustments include increased funding for caseload in the Adoptions Assistance program ($1.6 million), increased expenditures in

LEASE PAYMENT ADJUSTMENTS

The 1992-93 proposal also includes additional one-time savings of $52.6 million which will occur with the diversion of excess interest earnings and other balances available from completed lease-revenue-funded prison projects to support the prisons' lease payments. These savings are in addition to those already reflected in the Governor's Budget and are reflected as reimbursements to the lease payment item.

1991-92	--
1992-93	-$52.6

Department of the Youth Authority

POPULATION ADJUSTMENTS

The 1991-92 proposal includes $1,668,000 to support a year end population increase of 147 wards above the Governor's Budget which results from increased juvenile court first admissions. This is partially offset by a reduction of $268,000 resulting from a parole population decrease of 248 below the budgeted level for a net increase to the department's General Fund deficiency appropriation of $1,400,000.

1991-92	$1.4
1992-93	$1.2

The 1992-93 proposal supports a year end increase in the institution population of 68 wards at a cost of $937,000, as the increased juvenile court commitments continue in the budget year. This is partially offset by a reduction of $270,000 due to a parole population decrease of 228 below the Governor's Budget level at year end. The proposed total increase of $1,240,000 also includes $607,000 to correct a technical error which underfunded the retirement contribution costs for the new population driven staff which were requested in the Governor's Budget.

EDUCATION

Proposition 98 Guarantee

Due to a decline in anticipated state revenues, and a downward revision in ADA based on fall enrollment data, the Proposition 98 minimum guarantee for 1991-92 was reduced by $1 billion since January, from $18.2 billion to $17.2 billion. Consequently, adjusted current year appropriations now exceed the minimum guarantee by $1.1 billion.

1991-92	$116.0
1992-93	-$260.0

When the Governor's Budget was presented in January, the current year's appropriations in excess of the guarantee were $183 million. This amount was proposed to be "recaptured". Since the May Revision is not proposing a specific dollar level to recapture, but rather shows three alternative scenarios, a technical adjustment has been made to put $183 million back in the current year. In this way, the May Revision is a

Another factor which would affect calculation of the Proposition 98 guarantee is the treatment of appropriations for private child development programs. Consistent with a Superior Court decision, the Governor's Budget excluded these appropriations from Proposition 98. A recent Appellate Court decision reversed that finding; the deadline for filing of a Petition for Review in the Supreme Court is June 9. If these appropriations were to be included in Proposition 98, and if the change were required to be retroactive, the General Fund cost under the "no recapture" scenario would be $3.2 million for fiscal years 1988-89 through 1992-93 and $7 million under the "full recapture" scenario. Because the appeal status is still unknown, the May Revision proposes no change to the Governor's Budget.

K-12 Expenditures

Estimated total General Fund expenditures for K-12 Education are being increased by $170.4 million in 1991-92 and reduced by $241.4 million in 1992-93. These changes reflect revisions to total expenditure requirements. An overview of the changes is presented in the following sections.

1991-92	$170.4
1992-93	-$241.4

1991-92 Expenditures: As suggested above under Proposition 98, school expenditures for 1991-92 and 1992-93 are dependent on the Legislature's treatment of the $1.1 billion by which current year appropriations now exceed the minimum guarantee. Since the May Revision is not proposing a specific dollar level for a recapture, but rather shows three alternative scenarios, a technical adjustment has been made to put $183 million back in the current year. This helps to facilitate consideration of the Proposition 98 scenarios set forth above.

While this technical adjustment for the recapture, for presentation purposes, results in a net expenditure increase, there are other noteworthy adjustments including a considerable reduction in statutory average daily attendance (ADA) estimates for K-12 school districts. Based on the 1991-92 First Principal Apportionment (P1), K-12 district funding has been reduced by $141.1 million for ADA to reflect a downward revision in estimated ADA growth from 4.12 percent in January to 3.15 percent. However, this amount was offset by an increase of $50 million for attendance accounting, resulting in a total reduction of $91.1 million.

Current year deficiencies totaling $66.9 million are proposed to be funded from current year savings in school apportionments (due to a reduction in ADA), year-round schools and desegregation, and past-year savings. The deficiencies include $65.8 million for Special Education Programs, $118,000 for a technical correction to the county offices of education, $425,000 for education of adults in correctional facilities, and $588,000 for the Mentor Teacher Program to provide full funding for participating

CCC apportionments are being reduced by a total of $1.0 million due to a combination of changes. Technical increases of $0.7 have been made to base funded attendance and the cost-of-living adjustment to reflect updated apportionments information for 1990-91 and 1991-92. A decrease of $5.9 million for statutory growth is included to reflect a decrease in the forecast of the change in the State's adult population from the Governor's Budget estimate of 1.95 to 1.72 percent. An increase of $4.2 million is included to reflect increased General Fund apportionments necessary to offset the estimated decrease in student fee revenues and federal oil and mineral royalties.

A decrease of $6.1 million is included to reflect the revised estimate of the amount needed to reimburse districts for revenue bond lease-purchase payments they will be required to make to the Public Works Board.

University of California
Hastings College of the Law
California State University

The current year reflects a reduction of $2.4 million in CSU expenditures for repairs resulting from the 1987 Whittier earthquake; the budget year reflects an increase of $1.6 million at UC and CSU for repairs resulting from the 1989 Loma Prieta earthquake. The budget year reflects a $1.6 million savings in health insurance costs for annuitants to correspond to the downward revision in the rate increase, i.e., from 10 percent in the Governor's Budget to 6.2 percent. The budget year also proposes to hold the costs of dental insurance for annuitant and active employees to the 1990-91 level, resulting in a savings of $15.1 million. Total savings are $9.1 million for UC, $0.046 million for Hastings and $6.0 million for CSU.

1991-92	-$2.4
1992-93	-$15.1

GENERAL GOVERNMENT/OTHER

Department of Justice

LEGAL SERVICES FOR SCHOOL FINANCE LITIGATION

In the budget year, the department will provide approximately 0.9 personnel years of additional legal services and incur additional costs for consultant services and expert witnesses associated with the state's defense costs in the ABC Unified School District v. the State of California school finance litigation. Related language would prohibit the expenditure of these funds for costs other than in defense of the state and allows the allocation of funds in 1992-93 and 1993-94 by the Department of Finance.

1991-92	--
1992-93	$1.0

Annuitant Health and Dental Benefits

In the current and budget year, anticipated premium and enrollment increases are below projections in the Governor's Budget for annuitant health and dental benefits. The General fund cost savings are projected to be $15 million in the current and $45 million in the budget year.

1991-92	-$15.0
1992-93	-$45.0

Statewide Employee Salary and Wage Savings

The Governor's January budget included a proposal to reduce represented state employee salaries by five percent, effective January 1, 1992, for the purpose of generating state operation savings to address the state's severe fiscal imbalance. However, to date, the Legislature has not provided the required legislation to implement the proposed employee cost containment proposal. The fiscal consequence of the Legislature's failure to act on this issue has resulted in the loss of $73.7 million in General Fund salary savings in the current year.

1991-92	$73.7
1992-93	--

Lease Revenue Bond Payments

The 1992-93 Governor's Budget included a proposal to refinance $1.2 billion in Lease Revenue Bonds. The original proposal anticipated refinancing up to fifteen State Public Works Board issues that were sold between 1985 and 1990. This proposal was anticipated to provide expenditure reductions of $45 million in the current year and $15 million in the budget year for debt service payments.

After further evaluation of this proposal it has been disclosed that the legal questions and the financial market risks associated with this proposal far outweigh the potential benefits from a refinancing of outstanding bonds.

1991-92	$45.0
1992-93	$15.0

Interest on General Fund Loans

Estimated General Fund expenditures for Interest payments on General Fund Loans (inter-fund borrowing) is expected to increase by $70 in 1992-93. The Governor's Budget estimated inter-fund borrowing costs to be $5 million in 1992-93. The proposed increase incorporates revised estimates based on actual costs in the current year and the anticipation that inter-fund borrowing will remain high in the budget year.

1991-92	--
1992-93	$70.0

$6,974,000 in federal funds. The Department will allocate this funding to the counties for local mental health programs.

State Legalization Impact Assistance Grant (SLIAG) -- Section 23.50

The Current Year budgeted amount for SLIAG will be decreased from $286,329,000 to $102,599,000 from carryover monies because no federal appropriation has been made for the state's IRCA-related activities in 1991-92. Almost all of the currently estimated $197,174,000 in IRCA-related expenditures for State Public Assistance entitlement programs (such as Medi-Cal and SSI/SSP) are proposed to be backfilled by the General Fund; only $11.5 million of SLIAG monies for Medi-Cal are able to be maintained this fiscal year. A separate Section 23.50 Letter will be transmitted to the Legislature detailing the specific reductions.

The Budget Year SLIAG appropriation is proposed to be increased from $452,573,000 to a ceiling amount of $637,137,000. The new Budget Year total is based on an expectation that the State will receive the full amount of SLIAG funds cumulatively deferred by Congress; this amount had been budgeted over the two year period in the Governor's Budget. Overall, declining caseload estimates because of eligibility limitations in federal law are projected to reduce State Public Assistance entitlement expenditures from $217,686,000 to $171,125,000 for 1992-93. Unallocated expenditures, to be distributed according to the priorities included in Section 23.50, and outlined below, will increase from $234,887,000 to as much as $466,012,000.

The priorities included in Section 23.50 for the unallocated portion of SLIAG funding are proposed for revision as follows: (1) Required public health expenditures, including administration costs, to be capped at $32,000,000; (2) State operation costs, to be capped at $2,700,000; (3) A new third priority; prior year State Public Assistance costs not yet reimbursed by SLIAG monies; (4) Any other programs required by law or regulations; and (5) Any other programs that have previously received SLIAG funds.

While we are proposing to budget up to the full $637,137,000 that is minimally "owed" to California by the Federal Government, we have assumed for our own General Fund purposes in this May Revision the actual receipt of only $381,480,000 in 1992-93. Should that be the maximum received from the Federal Government, it would be sufficient to fund only 1992-93 State Public Assistance entitlements, the $32 million for public health, the $2.7 million for state operations costs for the SLIAG programs and most, but not all, of the reimbursement now owed the General Fund for the 1991-92 State Public Assistance entitlement programs.

The 1992-93 Governor's Budget proposed $23.2 million of Outer Continental Shelf Land Act Section 8(g) revenues based on $9.1 per barrel of oil. Although the price per barrel has been revised to $7.6 per barrel, the oil production is expected to increase in 1992-93. Given this situation, the budgeted amount for 1992-93 is expected to be $200,000 less than January 10 estimate of $23.2 million. It should also be noted that neither the Governor's Budget nor the May Revision for 1992-93 includes a transfer to the General Fund, however, it does include a loan to the Fish and Game Preservation Fund of $8.6 million. The Budget also includes $14.6 million in expenditures for support ($3.2M), local assistance ($2.0M) and capital outlay ($9.4M) for various departments.

State Appropriations Limit